

in a generation, dictates that you cannot have all your desires. It dictates the establishment of priorities within Government. It also dictates that every Member of this body cannot have everything they want in a budget.

I, too, like the Senator from Washington, can find parts of this conference report that maybe I do not like. But we cannot lose sight of its singular accomplishment that it balances the budget in 7 years.

This balanced budget will mean that our children and grandchildren will have a better tomorrow. This resolution will also help working families today with lower interest rates and better wages because of the increased productivity that is going to come from it.

It is for these reasons that I intend to vote for this conference report.

While the Congress has produced a balanced budget for the benefit of our children, I want to note by contrast, that the administration has still failed to provide a plan to achieve balance.

Last week I spoke on the floor, urging the administration to provide the additional spending cuts necessary for their new budget proposal to achieve balance. And I urged them to do what the President said he was going to do in February 1993 in his first budget resolution, to use the Congressional Budget Office's economic projections.

As is well known, CBO has stated that President Clinton's budget proposal—that is the second one this year—provides a deficit of \$210 billion in the year 2002, the year that Congress' budget resolution gets into balance, the Republican budget resolution gets our budget in balance.

And in the year 2005, the President's budget will still have a \$209 billion deficit.

I am very pleased that leaders on the other side of the aisle have already come forward, urging their President to provide for more spending cuts and to use CBO's economic projections so his budget will have integrity and so it will actually be in balance.

Monday's Wall Street Journal quotes the minority leader as saying that President Clinton must find hundreds of billions of dollars in more spending cuts. And in the Washington Times that same day, the minority leader is quoted as saying the White House will comply with CBO estimates.

Another Democratic Senator is quoted in the Washington Times as saying, "They cooked the numbers. The President needs to get back to the CBO numbers."

I am glad to see Members on the other side of the aisle agree that the administration must use CBO estimates and must provide hundreds of billions of dollars in more spending cuts. This is necessary if the White House is going to have any credibility in efforts to achieve a balanced budget.

Now the ball is once again in the White House court. I strongly encourage the administration not to punt the

ball for a third time. The American people do not want their President to abdicate leadership on the budget. They are glad he is in the ballgame now, but we want him in the ballgame playing as a full member of the team.

This budget we have before us preserves Medicare. Medicare would otherwise be bankrupt in the year 2002. I am glad the President recognizes in his budget that Medicare would be bankrupt by the year 2002, and he proposes slower growth of Medicare as we propose slower growth of Medicare. And even with slower growth, it is still going to grow at 7 percent. Even at slower growth the per capita expenditure for Medicare is going to go up from \$4,900 today to \$6,500 in the year 2002. We are going to be spending \$1.7 trillion on Medicare. We are going to have Medicare still be one of the biggest, if not the biggest programs in the Federal budget. Medicare will not go bankrupt under this budget.

Agriculture is going to do very well under this budget. I thank the chairman for helping us in the Senate hold a strong line on the Senate's figures for agriculture. I think this conference report represents a real victory for agriculture because the House was going to cut agriculture \$17 billion for 7 years. Normally, splitting the difference we would have been cutting more than \$14 billion. Our figures will be at \$13 billion, just above the Senate's recommendations, and the conference retained the sense-of-the-Senate language that only 20 percent of the savings required of the Agriculture Committee should be realized from farm programs.

No one will benefit more from this effort to balance the budget than our family farmers. Because of the intense amount of capital that it takes to be a family farmer and because, especially among young farmers, so much of this capital is borrowed, lower interest rates will be of enormous benefit to this capital-intensive industry. Lower interest rates will result from a balanced budget.

The Food and Agricultural Policy Research Institute, which is a combination of the University of Missouri and Iowa State University, analyzed the impact on the farm economy of a balanced budget. In a preliminary estimate, this organization took the CBO estimates of reduced interest rates that would be realized from a balanced budget and said it would translate into a \$2.5 billion increase in farm income in the year 2002.

Finally, on the subject of taxes, this conference report assumes \$245 billion in tax cuts for the American people, especially working families. I am particularly pleased that under this budget resolution there can be no tax cuts until after CBO has certified that the budget does get to balance.

We all know we have a credibility problem with the American people when we talk about balancing the budget and cutting taxes at the same

time. But we overcome that problem with the American people because this resolution will ensure that we have done the hard work first, that we have actually cut the necessary spending that it takes to achieve a balanced budget. It will be an enforceable reconciliation package. And then it will be scored by the Congressional Budget Office so we know there are x number of dollars available for a tax cut and that the tax cut is paid for and we do not cut taxes until that is done. That protects us from the usual traditional use of smoke and mirrors that are too often used, and never gets us to our targeted deficit reduction.

When it comes to tax cuts, as a member of the Finance Committee I state categorically I do not agree with the House of Representatives that we should give middle-income tax cuts to families up to \$200,000. As a member of the Finance Committee, I will be working to have that be capped at \$100,000. But there is no question that families will greatly benefit from being able to retain more of their income. Families will be able to use those resources for their children's education, their children's health, their children's nutrition. Let the families make the decision, not big Government make the decision on where this money should be spent. Because I am confident that families will make the better choice.

One last note on taxes. I want to make a brief comment about a small, very small but very important part of this budget resolution. I am very pleased that the House agreed to join the Senate in rejecting the off-budget funding for the Internal Revenue Service. The off-budget funding was proposed by the administration to provide for approximately 6,000 more IRS agents. The Senate last month, by a vote of 58 to 42, and it was a bipartisan vote, rejected this off-budget funding for the Internal Revenue Service. By rejecting this off-budget funding gimmick the Congress showed, first, that we would not engage in smoke and mirrors budgeting to achieve balance and, second, by eliminating this off-budget funding for IRS, we showed the American people that this Congress is committed to getting big Government off their back. The IRS has more than sufficient resources to do its job. It does not need the thousands more agents knocking on taxpayers' doors, as proposed by the administration.

This was a small but important victory for the taxpayers. It is a symbol that this new Congress did get a message from the last November election that Americans want to see a smaller, less intrusive Government. In this regard, again, this could not have been done without the help of the chairman of the Budget Committee, Senator DOMENICI. His dogged work in ensuring that this off-budget funding for the IRS was eliminated made that possible.

This victory would not have been possible, then, without his determined support. I want to close by saying this